

State of Michigan  
Department of Treasury

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# Michigan State Hospital Finance Authority

***ANNUAL REPORT***  
***2004***

# Michigan State Hospital Finance Authority

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## ***Authority Mission***

The Michigan State Hospital Finance Authority will provide low cost capital financing to non-profit providers of health care services that participate in any phase of the continuum of health care.

The Authority Finance Division as part of the Bureau of Bond Finance in the Michigan Department of Treasury provides financial and administrative support services on behalf of the Authority to assist with achieving these goals.

## ***Bureau of Bond Finance Mission***

The Bureau of Bond Finance will achieve and maintain access to the financial market at the lowest cost of the citizens of Michigan on behalf of:

- Hospitals and their patients
- Higher education students and their families
- Private colleges and their students
- Public school academies and their students
- Public schools and their taxpayers
- Municipalities and their taxpayers
- The State-at-large for environmental, recreational, and other specific-voter approved projects
- The State for cash flow financing for operating purposes.

## ***Vision***

- We are committed to fair, consistent, and courteous customer service.
- We have the training, technology, and tools to meet customer needs.
- We provide low-cost financing in order for cities and communities to be magnets for economic opportunities, with high quality education and healthcare.
- We are a division where public service and service to others is exalted.

## ***Values***

- Integrity: Michigan's schools, colleges, universities, municipalities, and healthcare providers; along with bond counsel, financial advisors, and underwriters know that they can depend upon the Authority Finance Division to follow through on their commitments.
- Excellence: The Authority Finance Division is committed to providing increasingly effective, low-cost financing to protect the interests of the citizens of Michigan.
- Teamwork: The Authority Finance Division will work together to provide effective, low-cost financing to Michigan's schools, colleges, universities, municipalities, and healthcare providers.
- Pride: In our achievements.

## **MSHFA Authority Members**

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The Michigan State Hospital Finance Authority is comprised of seven members. The Governor with the advice and consent of the Senate appoints five members, and the State Treasurer and the Director of the Department of Community Health serve as members by virtue of their appointed offices. All members of the Authority are appointed for four-year terms and serve without compensation but are entitled to reimbursement of expenses incurred in the performance of their duties under the Act. The present membership of the Authority is as follows:

*Susan W. Martin, Ph.D., Chair*

*Dorothy "Dottie" E. Deremo, Vice Chair*

*John E. Jacobs*

*Asad M. Malik*

*Lois Shulman*

*Janet Olszewski*

*Jay B. Rising, State Treasurer*

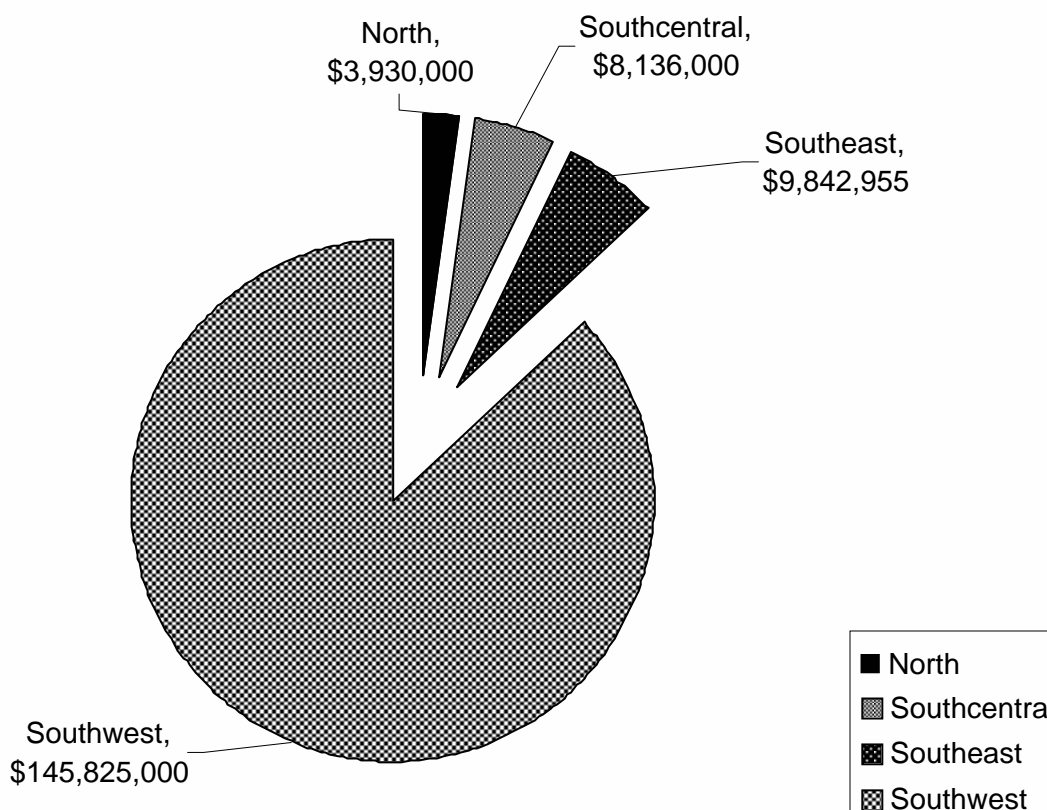
# *Financing Profiles*

## Michigan State Hospital Finance Authority

In 2004 the Michigan State Hospital Finance Authority issued \$143,317,955 in long term facility bonds for five loans. Projects included construction, renovation and the acquisition of equipment. Bond issues financed the renovation and expansion of an emergency department, acquisition of land and the construction and equipping of an acute care hospital facility and the purchase of scanners and MRI equipment and various capital projects throughout Michigan.

In addition to assisting large integrated health delivery systems MSHFA has also been able to assist a broader range of smaller healthcare providers. MSHFA's Healthcare Equipment Loan Program (HELP) has been an effective means for small providers and large providers with small projects to efficiently access the public tax-exempt bond market. Nursing homes and homes for the aged have increasingly used MSHFA programs for facilities to increase services to our aging population. These have included alzheimer units, and assisted living facilities. HELP has been used to provide low cost loans for home care, hospice and palliative facilities. An increasing number of joint ventures between healthcare providers, Mobile MRI's and Lithotripsy Units have been used to provide needed healthcare services. HELP has been a valuable financing vehicle for joint ventures whose services have included renal dialysis and diagnostic radiology. In 2004 HELP issued \$27,000,000 in bonds, resulting in ten healthcare provider loans for a total of \$24,416,000.

**Amount of Michigan State Hospital Finance Authority Loans  
Financed in 2004**



**Michigan State Hospital Authority**  
**2004 Summary**

<b>Michigan Region</b>	<b>Hospital</b>	<b>Amount</b>
North	Great Lakes Mobile PET	\$1,795,000
North	Keweenaw Memorial Hospital	\$835,000
North	Paul Oliver Memorial Hospital	\$1,300,000
Southcentral	Memorial Medical Center of West Michigan	\$3,000,000
Southcentral	Regional Dialysis Services, Inc.	\$1,800,000
Southcentral	Eaton Rapids Medical Center	\$3,336,000
Southeast	Huron Valley Ambulance	\$6,000,000
Southeast	Straith Hospital for Special Surgery	\$750,000
Southeast	Botsford General Hospital	\$1,350,000
Southeast	North Oakland North Macomb Imaging	\$1,742,955
Southwest	Newaygo County Hospital Assoc. d/b/a Gerber Memorial Health Services	\$2,700,000
Southwest	Spectrum Health - Saint Mary's Shared Technology Services, Inc	\$2,900,000
Southwest	Southwestern MI Rehabilitation Hospital, Inc.	\$9,500,000
Southwest	Holland Community Hospital	\$44,000,000
Southwest	Trinity Health Credit Group	\$86,725,000
		<b>\$167,733,955</b>

## *Historical Information*

**Michigan State Hospital Finance Authority**  
*Regional Historical Summary*

<i>Michigan Region</i>	<i>City</i>	<i>Health Care Participants</i>	<i>County</i>
<b>North</b>			
	1 Alpena	Alpena General Hospital	Alpena
	2 Ishpeming	Bell Memorial Hospital	Marquette
	3 Sault Ste. Marie	Chippewa County War Memorial Hospital	Chippewa
	4 Clare	Clare Community Hospital	Clare
	5 Cheboygan	Community Memorial Hospital	Cheboygan
	6 Traverse City	Grand Traverse Community Hospital	Grand Traverse
	7 Ironwood	Grand View Hospital	Gogebic
	8 Petosky	Great Lakes Mobile PET	Grand Traverse
	9 Iron River	Iron County Community Hospitals, Inc.	Iron
	10 Laurium	Keweenaw Memorial Hospital	Houghton
	11 Northport	Leelanau Memorial Health Center	Leelanau
	12 Marquette	Marquette General Hospital, Inc.	Marquette
	13 Ludington	Memorial Medical Center of West Michigan	Mason
	14 Cadillac	Mercy Hospital	Wexford
	15 Grayling	Mercy Hospital, Grayling	Crawford
	16 Traverse City	Munson Medical Center	Grand Traverse
	17 Petoskey	Northern Michigan Hospitals	Emmet
	18 Gaylord	Otsego Memorial Hospital	Otsego
	19 Frankfort	Paul Oliver Memorial Hospital	Benzie
	20 Hancock	Portage View Hospital	Houghton
	21 Escanaba	St. Francis Hospital	Delta
	22 Standish	Standish Community Hospital	Arenac
	23 Tawas City	Tawas St. Joseph Hospital, Inc.	Iosco
<b>SouthCentral</b>			
	1 Carson City	Carson City Hospital	Montcalm
	2 Mt. Pleasant	Central Michigan Community Hospital	Isabella
	3 St. Johns	Clinton Memorial Hospital	Clinton
	4 Jackson	Doctors Hospital of Jackson	Jackson
	5 Eaton Rapids	Eaton Rapids Community Hospital	Eaton
	6 Eaton Rapids	Eaton Rapids Medical Center	Eaton
	7 Lansing	Edward W. Sparrow Hospital	Ingham
	8 Adrian	Emma L. Bixby Hospital	Lenawee
	9 Alma	Gratiot Community Hospital	Gratiot
	10 Charlotte	Hayes-Green-Beach Memorial Hospital Corp.	Eaton
	11 Tecumseh	Herrick Memorial Hospital	Lenawee
	12 Hillsdale	Hillsdale Community Health Center	Hillsdale
	13 Lansing	Hope/Spectrum Health CCG	Ingham
	14 Lansing	Hospice of Lansing	Ingham
	15 Lansing	Ingham Regional Medical Center	Ingham
	16 Ionia	Ionia County Memorial Hospital	Ionia
	17 Lansing	Mid-Michigan MRI, Inc.	Ingham
	18 Midland	MidMichigan Regional Medical Center	Midland
	19 Alma	Regional Dialysis Services, Inc	Gratiot
	20 Lansing	St. Lawrence Hospital	Ingham
	21 Owosso	The Memorial Hospital	Shiawassee
	22 Hudson	Thorn Hospital Corporation	Lenawee
	23 Greenville	United Memorial Hospital Assn.	Montcalm
	24 Jackson	W.A. Foote Memorial Hospital	Jackson



**Michigan State Hospital Finance Authority**  
*Regional Historical Summary*

<i>Michigan Region</i>	<i>City</i>	<i>Health Care Participants</i>	<i>County</i>
<b>SouthEast</b>			
1	Lincoln	Alcona Health Center	Washtenaw
2	Bay City	Bay Medical Center	Bay
3	Detroit Area	Bi-County Community Hospital	Wayne
4	Detroit Area	Bon Secours Hospital	Wayne
5	Detroit Area	Botsford General Hospital	Wayne
6	Brighton	Brighton Hospital	Livingston
7	Ann Arbor	Catherine McAuley Hospital	Washtenaw
8	Chelsea	Chelsea Community Hospital	Washtenaw
9	Detroit Area	Children's Hospital	Wayne
10	Detroit Area	Cottage Hospital	Wayne
11	Rochester	Crittenton Hospital	Oakland
12	Detroit Area	Detroit Evangelical Homes	Wayne
13	Detroit Area	Detroit Macomb Hospitals	Wayne
14	Detroit Area	Detroit Medical Center	Wayne
15	Flint	Flint Health Systems Imaging Center	Genesee
16	Flint	Flint Osteopathic Hospital, Inc.	Genesee
17	Detroit Area	Garden City Hospital	Wayne
18	Grand Blanc	Genesys Health System	Genesee
19	Detroit Area	Harper-Grace Hospital	Wayne
20	Saginaw	Health Delivery, Inc.	Saginaw
21	Detroit Area	Henry Ford Hospital	Wayne
22	Detroit Area	Huron Valley Hospital	Wayne
23	Ann Arbor	Huron Valley Ambulance	Washtenaw
24	Bad Axe	Huron Memorial Hospital	Wayne
25	Detroit Area	Hutzel Hospital	Wayne
26	Detroit Area	Kingswood Hospital	Wayne
27	Roseville	Macomb MRI	Macomb
28	Marlette	Marlette Community Hospital	Sanilac
29	Detroit Area	Martin Luther Homes	Wayne
30	Port Huron	Marwood Manor	St Clair
31	Sandusky	McKenzie Memorial Hospital	Sanilac
32	Flint	McLaren Regional Medical Center	Genesee
33	Port Huron	Mercy Hospital, Port Huron	St Clair
34	Mount Clemens	Mercy Mt. Clemens Corp.	Macomb
35	Monroe	Mercy-Memorial Hospital	Monroe
36	Detroit Area	Metropolitan Hospital	Wayne
37	Saginaw	Mobile Medical Response, Inc	Saginaw
38	Detroit Area	Mount Carmel Mercy Hospital	Wayne
39	Mount Clemens	Mt. Clemens General Hospital	Macomb
40	Detroit Area	North Detroit General Hospital	Wayne
41	Rochester	North Oakland North Macomb Imaging	Oakland
42	Detroit Area	Oakland General Hospital	Wayne
43	Dearborn	Oakwood Hospital	Wayne
44	Pontiac	Pontiac Osteopathic Hospital	Oakland
45	Port Huron	Port Huron Hospital	St Clair
46	Detroit Area	Presbyterian Village of Michigan	Wayne
47	Detroit Area	Providence Hospital	Wayne
48	Detroit Area	Redford Community Hospital	Wayne
49	Auburn	Regional Imaging Center, Inc.	Bay

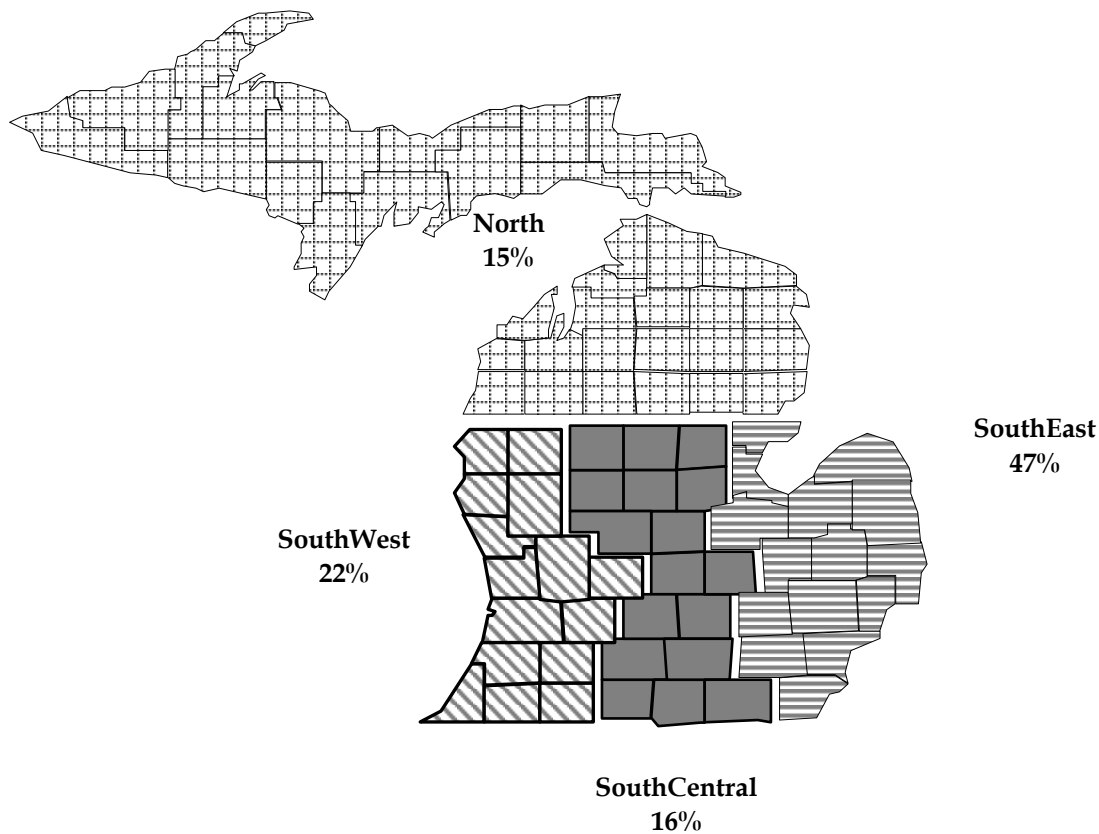
**Michigan State Hospital Finance Authority**  
*Regional Historical Summary*

<i>Michigan Region</i>	<i>City</i>	<i>Health Care Participants</i>	<i>County</i>
<b><i>SouthEast continued</i></b>			
	50 Detroit Area	Rehabilitation Institute	Wayne
	51 East China	River District Hospital	St Clair
	52 Trenton	Riverside Osteopathic Hospital	Wayne
	53 Saginaw	Saginaw General Hospital	Saginaw
	54 Saline	Saline Community Hospital	Washtenaw
	55 Detroit Area	Samaritan Health Center	Wayne
	56 Detroit Area	Saratoga General Hospital	Wayne
	57 Pigeon	Scheurer Hospital	Huron
	58 Sheridan	Sheridan Community Hospital	Huron
	59 Detroit Area	Sinai Hospital	Wayne
	60 Detroit Area	St. John Hospital, Detroit	Wayne
	61 Harrison Township	St. John Hospital-Macomb Center	Macomb
	62 Mount Clemens	St. Joseph Hospital	Macomb
	63 Flint	St. Joseph Hospital, Flint	Genesee
	64 Pontiac	St. Joseph Mercy Hospital	Oakland
	65 Ann Arbor	St. Joseph Mercy Hospital, Ann Arbor	Washtenaw
	66 Saginaw	St. Luke's Hospital	Saginaw
	67 Detroit Area	St. Mary Hospital-Livonia	Wayne
	68 Saginaw	St. Mary's Hospital	Saginaw
	69 Southfield	Straith Hospital for Special Surgery	Oakland
	70 Novi	Trinity Health Credit Group	Oakland,
	71 Goodrich	Wheelock Memorial Hospital	Genesee
	72 Detroit Area	William Beaumont Hospital	Wayne
	73 Detroit Area	Wyandotte Hospital	Wayne
	74 Detroit Area	Zieger Osteopathic Hospital	Wayne
<b><i>SouthWest</i></b>			
	1 Allegan	Allegan General Hospital	Allegan
	2 Battle Creek	Battle Creek Adventist Hospital	Calhoun
	3 Battle Creek	Battle Creek Health System	Calhoun
	4 Kalamazoo	Borgess Medical Center	Kalamazoo
	5 Kalamazoo	Bronson Methodist Hospital	Kalamazoo
	6 Grand Rapids	Butterworth Aero Med	Kent
	7 Grand Rapids	Cherry Street Health Services	Kent
	8 Watervliet	Community Hospital Association	Calhoun
	9 Battle Creek	Community Hospital Watervliet	Calhoun
	10 Kalamazoo	Family Health Center, Inc.	Kalamazoo
	11 Grand Rapids	Ferguson Hospital	Kent
	12 Fremont	Gerber Memorial Hospital	Newaygo
	13 Muskegon	Hackley Hospital	Muskegon
	14 Kalamazoo	Harold and Grace Upjohn Community Care Center	Kalamazoo
	15 Holland	Holland Community Hospital	Ottawa
	16 Kalamazoo	Hospice of Southwest MI	Kalamazoo
	17 Dowagiac	Lee Memorial Hospital Corp.	Cass
	18 Battle Creek	Leila Hospital	Calhoun
	19 Grand Rapids	Mary Free Bed Hospital	Kent
	20 Muskegon	Mercy Hospital, Muskegon	Muskegon
	21 Grand Rapids	Metropolitan Hospital	Kent
	22 Kalamazoo	MSU Kalamazoo Center for Medical Studies	Kalamazoo
	23 Muskegon	Muskegon General Hospital	Muskegon

**Michigan State Hospital Finance Authority**  
Regional Historical Summary

<i>Michigan Region</i>	<i>City</i>	<i>Health Care Participants</i>	<i>County</i>
<b>SouthWest continued</b>			
24	Fremont	Newaygo County Hospital Association d/b/a	Newaygo
25	Marshall	Oaklawn Hospital	Calhoun
26	Niles	Pawating Hospital Association	Berrien
27	Hastings	Pennock Hospital	Barry
28	Plainwell	Pipp Community Hospital	Allegan
29	Muskegon	Professional Med Team, Inc.	Muskegon
30	Battle Creek	Southwestern MI Rehabilitation Hospital, Inc.	Calhoun
31	Grand Rapids	Spectrum Health	Kent
32	Kalamazoo	Visiting Nurse Assn. Of SW MI	Kalamazoo
33	Muskegon	Visiting Nurse-Home Care System	Muskegon
34	Kalamazoo	West Michigan Cancer Center	Kalamazoo
35	Zeeland	Zeeland Community Hospital	Ottawa

**Number of Health Care Participants throughout Michigan  
Regional Summary**



Michigan State Hospital Finance Authority  
*Historical Bond Issue Summary*

Amount Issued	Year	#of Loans	Cumulative Total
\$22,500,000	1974	1	1
\$105,130,000	1975	5	6
\$82,905,000	1976	5	11
\$96,300,000	1977	3	14
\$48,090,000	1978	6	20
\$124,647,000	1979	7	27
\$219,640,000	1980	9	36
\$70,900,000	1981	5	41
\$324,570,000	1982	9	50
\$113,305,000	1983	8	58
\$334,360,000	1984	6	64
\$736,186,148	1985	21	85
\$271,215,000	1986	6	91
\$90,760,000	1987	4	95
\$194,765,000	1988	8	103
\$262,970,194	1989	6	109
\$210,365,000	1990	7	116
\$408,715,000	1991	10	126
\$509,276,894	1992	13	139
\$707,155,000	1993	8	147
\$230,338,558	1994	9	156
\$470,370,000	1995	12	168
\$490,165,000	1996	12	180
\$646,740,727	1997	16	196
\$912,279,673	1998	17	213
\$1,262,625,480	1999	13	226
\$529,146,618	2000	12	238
\$140,791,079	2001	9	247
\$474,195,000	2002	12	259
\$982,917,015	2003	18	277
\$170,317,955	2004	15	292
<b>\$11,243,642,341</b>		<b>292</b>	

